

**SADIE - TIGER BEND
FIRE PROTECTION DISTRICT
MARION, LOUISIANA**

**FINANCIAL STATEMENTS
AND SUPPLEMENTAL INFORMATION
AS OF AND FOR THE YEAR ENDED
DECEMBER 31, 2012**



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Management's Discussion and Analysis

**SADIE - TIGER BEND FIRE PROTECTION DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2012**

As Management of the Sadie - Tiger Bend Fire Protection District, we offer readers of the Sadie - Tiger Bend Fire Protection District's financial statements this narrative overview and analysis of the financial activities of the District as of December 31, 2012, and for the year then ended. We encourage readers to consider the information presented here in conjunction with the District's basic financial statements and supplementary information provided in this report in assessing the efficiency and effectiveness of our stewardship of public resources.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements comprise three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements. The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business. The statement of net assets presents information on all of the District's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The statement of activities presents information showing how the District's net assets changed during the most recent year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (for example, earned but not taken annual leave).

Fund Financial Statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the current funds of the District are included in one category - governmental funds.

Governmental Funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the year. Such information may be useful in evaluating a government's near-term financing requirements.

**SADIE - TIGER BEND FIRE PROTECTION DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
FOR THE YEAR ENDED DECEMBER 31, 2012**

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Sadie - Tiger Bend Fire Protection District maintains one individual governmental fund. Information as of and for the year ended December 31, 2012, is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balance for the General Fund.

The Sadie - Tiger Bend Fire Protection District adopts an annual appropriated budget for the General Fund. A budgetary comparison statement is provided to demonstrate compliance with this budget.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 11-18 of this report.

Supplemental information. In addition to the basic financial statements and accompanying notes, in the future, this report will also present required supplemental information concerning the Sadie - Tiger Bend Fire Protection District's compliance with its budget for the general fund.

FINANCIAL HIGHLIGHTS

This is the first year that the District has presented financial statements in accordance with GASB Statement No. 34. Future financial statements will include comparisons to the prior year financial statements.

- The assets of the District exceeded its liabilities at December 31, 2012, by \$64,631.
- The District's net assets increased by \$48,200 as a result of this year's operations.

At December 31, 2012, the District's governmental fund (General Fund) reported an ending fund balance of \$54,522, an increase of \$39,591, including expenditures for capital assets. The entire balance is available for spending in accordance with the propositions approved by the voters of the District.

**SADIE - TIGER BEND FIRE PROTECTION DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
FOR THE YEAR ENDED DECEMBER 31, 2011**

NET ASSETS

Current and other assets	\$ 62,369
Capital assets, net	<u>2,800</u>
Total assets	<u>65,169</u>
 Liabilities:	
Accounts and other payables	<u>538</u>
	<u>538</u>
 Net assets:	
Invested in capital assets	2,800
Unrestricted	<u>61,831</u>
Total net assets	<u>\$ 64,631</u>

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. At the close of the most recent year, assets of the Sadie - Tiger Bend Fire Protection District exceeded liabilities by \$64,631.

The changes in net assets for the year ended December 31, 2012, are summarized as follows:

CHANGES IN NET ASSETS

Revenues:

Program revenues:

Operating grants and contributions	\$ 8,256
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General revenues:

Ad valorem taxes	21,248
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Parcel fees	<u>20,625</u>
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Total revenues	<u>50,129</u>
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Program expenses:

Operating services	691
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Travel and other	700
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Intergovernmental	<u>538</u>
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Total expenses	<u>1,929</u>
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Increase (decrease) in net assets	<u>\$ 48,200</u>
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**SADIE - TIGER BEND FIRE PROTECTION DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
FOR THE YEAR ENDED DECEMBER 31, 2012**

Governmental activities. The most significant revenues of the governmental activities are general revenues (84%), which include ad valorem taxes (42%) and parcel fees (41%). Program revenues which consist of the fire insurance rebate are 16% of the total revenues of governmental activities.

The District's expenses in 2012 are minor due to the fact that the District is not fully operational as of December 31, 2012.

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The focus of the governmental funds is to provide information on near-term inflows, outflows, and balances of expendable resources. Such information is useful in assessing the financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the year.

Governmental funds. The District's governmental fund (General Fund) fund balance of \$54,522 increased by \$39,591 from December 31, 2011.

GENERAL FUND BUDGETARY HIGHLIGHTS

As the District is not yet fully operational, no budgets were adopted until 2013.

CAPITAL ASSETS

Sadie - Tiger Bend Fire Protection District's investment in capital assets for its governmental activities as of December 31, 2012, is \$2,800 (net of accumulated depreciation). This investment includes two fire trucks.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The District has plans to borrow \$150,000 during 2013 to construct two new fire stations.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Sadie - Tiger Bend Fire Protection District's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or request for additional financial information should be addressed to the District's Board at P.O. Box 581, Marion, Louisiana 71260.



Independent Accountant's Compilation Report

Sadie - Tiger Bend Fire Protection District
Marion, Louisiana

We have compiled the accompanying financial statements of the governmental activities of the Sadie – Tiger Bend Fire Protection District as of December 31, 2012 and for the year then ended. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with accounting principles generally accepted in the United States of America.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

The management's discussion and analysis on pages 1 through 4 is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting and for placing the basic financial statements in an appropriate operational, economic, or historical context. The supplementary information has been compiled from information that is the representation of management. We have not audited or reviewed the supplementary information and accordingly, we do not express an opinion or provide any assurance on the supplementary information.

BOSCH & STATHAM, LLC

A handwritten signature in blue ink that reads 'Bosch & Statham'.

March 12, 2013

Basic Financial Statements

**SADIE - TIGER BEND FIRE PROTECTION DISTRICT
MARION, LOUISIANA**

**STATEMENTS OF NET ASSETS
AS OF DECEMBER 31, 2012**

ASSETS

Cash and cash equivalents	\$ 27,701
Receivables	34,668
Capital assets, net of accumulated depreciation	2,800
TOTAL ASSETS	65,169

LIABILITIES

Accounts, salaries and other payables	538
TOTAL LIABILITIES	538

NET ASSETS

Invested in capital assets	2,800
Unrestricted	61,831
TOTAL NET ASSETS	\$ 64,631

See accompanying notes and accountant's compilation report.

**SADIE - TIGER BEND FIRE PROTECTION DISTRICT
MARION, LOUISIANA**

**STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2012**

FUNCTIONS - GOVERNMENTAL ACTIVITIES	EXPENSES	PROGRAM REVENUES		NET (EXPENSE) REVENUE AND CHANGES IN NET ASSETS
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	
Public Safety	\$ 1,929	\$ -	\$ 8,256	\$ 6,327
General revenues:				
Property taxes levied for:				
Public Safety				21,248
Parcel fees levied for:				
Public Safety				20,625
Total general revenues				41,873
Change in net assets				48,200
Net assets at beginning of year				16,431
Net assets at end of year				\$ 64,631

See accompanying notes and accountant's compilation report.

**SADIE - TIGER BEND FIRE PROTECTION DISTRICT
MARION, LOUISIANA**

**GOVERNMENTAL FUND - GENERAL FUND - BALANCE SHEET
AS OF DECEMBER 31, 2012**

ASSETS

Cash and cash equivalents	\$ 27,701
Receivables	34,668
Total assets	<u>\$ 62,369</u>

LIABILITIES AND FUND EQUITY

Liabilities:	
Accounts payable	\$ 538
Deferred revenues	7,309
Total liabilities	<u>7,847</u>
Fund equity - fund balances:	
Assigned	54,522
Total fund equity - fund balances	<u>54,522</u>
Total liabilities and fund equity	<u>\$ 62,369</u>

See accompanying notes and accountant's compilation report.

**SADIE - TIGER BEND FIRE PROTECTION DISTRICT
MARION, LOUISIANA**

**STATEMENT OF GOVERNMENTAL REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
FOR THE YEAR ENDED DECEMBER 31, 2012**

Revenues:	
Taxes:	
Ad valorem	\$ 13,939
Parcel Fees	20,625
Intergovernmental funds:	
State funds:	
Fire insurance rebate	8,256
Total revenues	<u>42,820</u>
Expenditures:	
Current:	
Public Safety	
Operating Services	691
Intergovernmental	538
Capital outlay	2,000
Total expenditures	<u>3,229</u>
Net change in fund balances	39,591
Fund balance at beginning of year	<u>14,931</u>
Fund balance at end of year	<u>\$ 54,522</u>

See accompanying notes and accountant's compilation report.

**SADIE - TIGER BEND FIRE PROTECTION DISTRICT
MARION, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2012**

Introduction

The Sadie - Tiger Bend Fire Protection District was established by the Union Parish Police Jury on May 4, 2010, as authorized by Louisiana Revised Statute 40:1492. The District is governed by a five member board which serves without compensation. The district is responsible for maintaining and operation fire stations and equipment and providing fire protection within the boundaries of the district. The District has no employees.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The accompanying basic financial statements of the Sadie - Tiger Bend Fire Protection District have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

Reporting entity

As the governing authority of the parish, for reporting purposes, the Union Parish Police Jury is the financial reporting entity for Union Parish. The financial reporting entity consists of (a) the primary government (police jury), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Governmental Accounting Standards Board (GASB) Statement No. 14 establishes criteria for determining which component units should be considered part of the Union Parish Police Jury for financial reporting purposes. The basic criteria for including a potential component unit within the reporting entity are financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criterion includes:

1. Appointing a voting majority of an organization's governing body, and;
 - a. The ability of the police jury to impose its will on that organization and/or;
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the police jury.
2. Organizations for which the police jury does not appoint a voting majority but are fiscally dependent on the police jury.

**SADIE – TIGER BEND FIRE PROTECTION DISTRICT
MARION, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS (Continued)
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2012**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3. Organizations for which the reporting entity's financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Reporting entity (Continued)

Under provisions of GASB Statement No. 14, the District is considered a component unit of the Union Parish Police Jury. As a component unit, the accompanying financial statements may be included within the reporting of the primary government, either blended into those financial statements or separately as a discrete component unit.

Funds

The District uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain District functions or activities. A fund is a separate fiscal and accounting entity with a self-balancing set of accounts that comprises its assets, liabilities, fund equity, revenues, and expenditures.

The General Fund accounts for all of the District's general activities. Governmental funds focus on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may be used. Current liabilities are assigned to the fund from which they will be paid. The difference between a governmental fund's assets and liabilities is reported as fund balance. In general, fund balance represents the accumulated expendable resources which may be used to finance future period programs or operations of the District.

Measurement focus and basis of accounting

Fund Financial Statements (FFS)

The amounts reflected in the governmental fund financial statements are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balance reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources.

**SADIE – TIGER BEND FIRE PROTECTION DISTRICT
MARION, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS (Continued)
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2012**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement focus and basis of accounting (Continued)

Fund Financial Statements (FFS) (Continued)

The amounts reflected in the governmental fund financial statements use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The District considers all revenues available if they are collected within 60 days after the year end. Expenditures are recorded when the related fund liability is incurred, except for interest and principal payments on general long-term debt which are recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources. The governmental fund uses the following practices in recording revenues and expenditures:

Revenues

Ad valorem taxes are recorded in the year the taxes are due and payable. Ad valorem taxes are assessed on a calendar year basis, attach as an enforceable lien, and become due and payable on the date the tax rolls are filed with the recorder of mortgages.

Louisiana Revised Statute 47:1993 requires that the tax roll be filed on or before November 15 of each year. Ad valorem taxes become delinquent if not paid by December 31. The taxes are normally collected in December of the current year and January and February of the ensuing year.

Parcel fees are recorded when the District is entitled to the funds.

Based on the above criteria, ad valorem taxes and parcel fees have been treated as susceptible to accrual.

Expenditures

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

**SADIE – TIGER BEND FIRE PROTECTION DISTRICT
MARION, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS (Continued)
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2012**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement focus and basis of accounting (Continued)

Fund Balance Type Definitions

In accordance with Government Accounting Standards Board 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, Sadie – Tiger Bend Fire Protection District classifies governmental fund balances as follows:

Non-spendable	Includes fund balance amounts that cannot be spent either because it is not in spendable form or because of legal or contractual constraints.
Restricted	Includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors or amounts constrained due to constitutional provisions or enabling legislation.
Committed	Includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision making authority and does not lapse at year-end. Fund balance may be committed by the Sadie – Tiger Bend Fire Protection District.
Assigned	Includes fund balance amounts that are intended to be used for specific purposes that are neither considered restricted or committed. Fund balance may be assigned by the Sadie – Tiger Bend Fire Protection District.
Unassigned	Includes positive fund balance within the General Fund which has not been classified within the above mentioned categories and negative fund balances in other governmental funds.

Government-Wide Financial Statements (GWFS)

The Statements of Net Assets and the Statements of Activities display information about the District as a whole. These statements include all of the financial activities of the District. Information contained in these statements reflects the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, Accounting and Financial Reporting for Nonexchange Transactions.

Program Revenues - Program revenues included in the Statements of Activities are derived directly from the District's users as a fee for services. Program revenues reduce the cost of the function to be financed from the District's general revenues.

**SADIE – TIGER BEND FIRE PROTECTION DISTRICT
MARION, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS (Continued)
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2012**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement focus and basis of accounting (Continued)

Reconciliation

The reconciliation of the items reflected in the fund statements to the government-wide statements is as follows:

Fund balance	\$ 54,522
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets used in governmental activities are not financial resources	2,800
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds	<u>7,309</u>
Net assets of governmental activities	<u>\$ 64,631</u>
Net change in fund balance	\$ 39,591
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	1,300
Revenues that do not provide current financial resources are deferred in the funds, but are recognized on the statement of activities. This is the amount by which the current-year deferred revenue is less than the prior-year deferred revenue as reported on the governmental fund balance sheets.	<u>7,309</u>
Change in net assets of governmental activities	<u>\$ 48,200</u>

**SADIE – TIGER BEND FIRE PROTECTION DISTRICT
MARION, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS (Continued)
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2012**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement focus and basis of accounting (Continued)

Capital assets

Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The District maintains a threshold level of \$1,000 or more for capitalizing capital assets. Capital assets are recorded in the GWFS, but are not reported in the FFS. Since surplus assets are sold for an immaterial amount when declared as no longer needed for their intended purposes by the District, no salvage value is taken into consideration for depreciation purposes. All capital assets are depreciated using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Building improvements	15 Years
Vehicles	5 Years
Furniture and equipment	3 - 15 Years

Capital assets are valued at actual historical cost.

Cash and cash equivalents and investments

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District's policy to ensure that there is no exposure to this risk is to require each financial institution to pledge its own securities to cover any amount in excess of Federal Depository Insurance Coverage (FDIC). Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the District that the fiscal agent bank has failed to pay deposited funds upon demand. Accordingly, the District had no custodial credit risk related to its deposits at December 31, 2012.

Under state law, the District may deposit funds in demand deposits, interest bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having principal offices in Louisiana. At December 31, 2012, the District had cash and cash equivalents (book balances in demand deposits) totaling \$27,701.

These deposits are stated at cost, which approximates market. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Cash and cash equivalents (bank balances) at December 31, 2012, were \$27,701. These deposits were fully insured by FDIC.

**SADIE – TIGER BEND FIRE PROTECTION DISTRICT
MARION, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS (Continued)
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2012**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 2 - RISK MANAGEMENT

Currently, the District has no buildings and is not operating its two fire trucks. Once operational, the District will be exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; and injuries to employees. To handle such risk of loss, the District will maintain a commercial insurance policy covering property and general liability.

NOTE 3 - LEVIED TAXES

The ad valorem tax millage authorized and levied by the District was 10.00 for the year ended December 31, 2012. Any difference between authorized and levied millages is the result of reassessments of taxable property within the parish as required by Article 7, Section 18 of the Louisiana Constitution of 1974.

NOTE 4 - RECEIVABLES

The receivables of \$34,668 at December 31, 2012, consisted of the following:

Ad valorem taxes	\$ 13,368
Parcel fees	<u>21,300</u>
Total	<u>\$ 34,668</u>

**SADIE – TIGER BEND FIRE PROTECTION DISTRICT
MARION, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS (Continued)
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2012**

NOTE 5 - CHANGES IN CAPITAL ASSETS

A summary of changes in capital assets for the year ended December 31, 2012, follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Capital assets being depreciated:				
Vehicles	\$ -	\$ 3,500	\$ -	\$ 3,500
Less accumulated depreciation:				
Vehicles	-	(700)	-	(700)
Net capital assets	<u>\$ -</u>	<u>\$ 2,800</u>	<u>\$ -</u>	<u>\$ 2,800</u>

NOTE 6 – LEASE AGREEMENTS

During 2011 and 2012, the District entered into two lease agreements with landowners whereby the landowners agreed to lease certain portions of land to the District for \$1 a year for as long as the land is used for the operation of fire stations. The District plans to construct the stations during 2013.

NOTE 7 - LITIGATION AND CLAIMS

At December 31, 2012, the Sadie - Tiger Bend Fire Protection District is not involved in any litigation.

NOTE 8 - SUBSEQUENT EVENTS

Management has evaluated subsequent events through March 12, 2013, the date on which the financial statements were available to be issued.

**SADIE – TIGER BEND FIRE PROTECTION DISTRICT
MARION, LOUISIANA**

**SCHEDULE OF FINDINGS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2012**

We did not perform an audit or review of the District's financial statements as of and for the year ended December 31, 2012. However, while performing our compilation procedures as required by the Louisiana Governmental Audit Guide, we noted the following matter that must be communicated to management of the District.

This communication is intended solely for the information and use of the Board, federal awarding agencies, pass-through entities, and the Louisiana Legislative Auditor, and is not intended to be and should not be used by anyone other than these specified parties. Although the use of this report may be limited, under Louisiana Revised Statute 24:513, it is issued by the Louisiana Legislative Auditor as a public document.

2012-1 Failure to Comply with the Louisiana Local Government Budget Act

Condition

The District did not adopt a budget for its General Fund for the year ended December 31, 2012.

Criteria

The Budget Act requires the District to adopt a budget for its General Fund.

Cause

The District was formed in 2010 and has collected less than \$50,000 per year in revenue. The Board was not aware it was required to adopt a budget.

Effect

The District has not complied with the Budget Act which requires the Board to complete a financial plan for the District. However, as the District was recently established and has not yet begun operations, expenditures have been minor.

Recommendation

We understand that the Board has adopted a 2013 budget. We recommend that the Board adopt amendments, if necessary, in accordance with the Budget Act.

Management's Response

We will implement the accountant's recommendation.

**SADIE - TIGER BEND FIRE PROTECTION DISTRICT
MARION, LOUISIANA**

**STATUS OF PRIOR FINDINGS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2012**

There were no prior findings.